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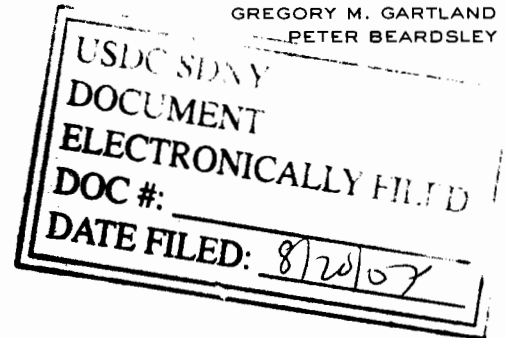
MEMO ENDORSED

ROBERT P. BLANK
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PATRICK T. GARTLAND
DANIEL B. BESIKOF
GREGORY M. GARTLAND
PETER BEARDSLEY

August 16, 2007

BY FACSIMILE AND BY HAND

Hon. Kenneth M. Karas
United States District Judge
Daniel Patrick Moynihan United States Courthouse
500 Pearl Street, Room 920
New York, New York 10007-1312



Re: In re Calpine Corporation, et al.
Case Nos. 06-cv-00624 (KMK) and 07-cv-06917 (KMK) (UA)

Dear Judge Karas:

This letter supplements the letter I faxed to Chambers yesterday regarding a requested extension, from August 15 to August 24, of a briefing deadline in these related cases. My firm represents the California State Parties (the California Electricity Oversight Board, the People of the State of California, *ex rel* Edmund G. Brown, Jr., Attorney General of the State of California, and the California Department of Water Resources), the movants on the three motions currently before the Court. I write with the consent and authority of the other parties to the pending motions. The three motions are:

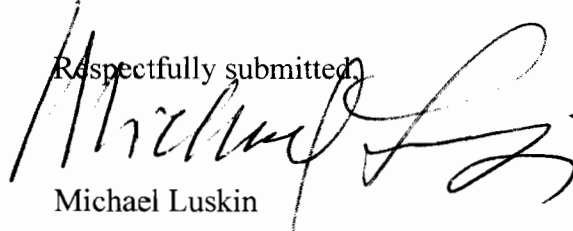
- (i) California State Parties' Motion to Withdraw Reference and Incorporated Memorandum of Law, dated August 1, 2007 (in Case No. 07-cv-06917);
- (ii) California State Parties' Motion to Enforce the Court's Order of January 27, 2006 and Incorporated Memorandum of Law, dated August 1, 2007 (in Case No. 06-cv-00624); and
- (iii) California State Parties' Motion For Stay Pending Consideration of Motion to Withdraw Reference and Motion to Enforce and Incorporated Memorandum of Law, dated August 1, 2007 (Case No. 06-cv-06917)

The parties are currently in serious discussions regarding settlement of their disputes, which, if successful, would moot the need for a ruling on the pending motions. As a result, and as stated in my August 15, letter, the parties respectfully request that the Court extend the August 15 deadline to respond to the three motions until August 24, 2007. This will allow the parties time to continue their settlement discussions. We

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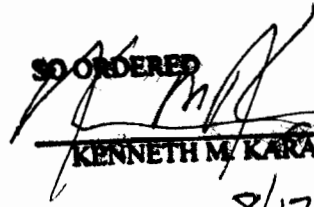
expect to have a resolution by the 24th and will inform the Court of the status of our discussions at that time.

Thank you very much for your assistance in this matter. If Your Honor needs anything further from the parties or if you have any questions, please do not hesitate to call me at the telephone number listed above.

Respectfully submitted,

Michael Luskin

cc: Adam Paul, Esq. (Via Fax: 312-861-2200)
Catherine R. Connors, Esq. (Via Fax: 207-791-1350)

Application Granted.


SO ORDERED
KENNETH M. KARAS U.S.D.J.
8/17/07